



March 7, 2018
2:00 p.m.

AGENDA

**Board Budget and Finance Committee Meeting
Riverside Transit Agency – Board Room
1825 Third Street
Riverside, CA 92507**

Any person with a disability who requires a modification or accommodation in order to participate in this meeting, or any person with limited English proficiency (LEP) who requires language assistance to communicate with the Riverside Transit Agency Board of Directors during the meeting, should contact the Riverside Transit Agency Clerk of the Board, telephone number (951) 565-5044, no fewer than two business days prior to this meeting to enable the Riverside Transit Agency to make reasonable arrangements to assure accessibility or language assistance for this meeting.

Agenda item descriptions are intended to provide members of the public a general summary of business to be conducted or discussed. Posting of any recommended action on an agenda item does not indicate what action will be taken. The Board of Directors may take any action it believes is appropriate on the agenda item and is not limited in any way by the notice of any recommendation.

All documents related to any agenda item are available for public inspection at www.riversidetransit.com or through the Clerk of the Board's office at the Riverside Transit Agency, 1825 Third Street, Riverside, CA 92507.

ITEM

RECOMMENDATION

- 1. CALL TO ORDER**
- 2. SELF-INTRODUCTIONS**

ITEM

RECOMMENDATION

3. PUBLIC COMMENTS – NON-AGENDA ITEMS

Members of the public may address the Board regarding any item within the subject matter jurisdiction of the Board; however, no action may be taken on off-agenda items unless authorized by law. Comments shall be limited to matters not listed on the agenda. Members of the public may comment on any matter listed on the agenda at the time that the Board considers that matter. Each person's presentation is limited to a maximum of three (3) minutes.

RECEIVE COMMENTS

4. APPROVAL OF MINUTES – FEBRUARY 7, 2018 COMMITTEE MEETING (P.4)

APPROVE

5. CASH FLOW PROJECTIONS (P.8)

RECEIVE AND FILE

6. QUARTERLY CAPITAL STATUS (P.10)

RECEIVE AND FILE

7. QUARTERLY NATURAL GAS PROCUREMENT STATUS REPORT (P.11)

RECEIVE AND FILE

8. AUTHORIZATION TO AWARD AGREEMENT NO. 18-001 TO REGENCY - PACIFIC DEVELOPMENT CORPORATION FOR CONSTRUCTION OF THE RIVERSIDE BUS WASH ROOF PROJECT (P.18)

APPROVE

9. AUTHORIZATION TO AWARD AGREEMENT NO. 17-067 TO BURNHAM BENEFITS INSURANCE SERVICES FOR MEDICAL BROKERAGE SERVICES (P.21)

APPROVE

10. AUTHORIZATION TO AWARD AGREEMENT 17-050 TO NETWORK PARATRANSIT SERVICES INC. FOR TAXI OVERFLOW SERVICES (P.24)

APPROVE

11. AUTHORIZATION TO AWARD AGREEMENT NO. 17-070 TO ABSOLUTE INTERNATIONAL SECURITY FOR SECURITY GUARD SERVICES (P.29)

APPROVE

12. BOARD MEMBER COMMENTS

ITEM

RECOMMENDATION

13. ANNOUNCEMENTS

14. NEXT MEETING

Wednesday, April 4, 2018, 2:00 p.m.
Riverside Transit Agency
1825 Third Street
Riverside, CA 92507

15. MEETING ADJOURNMENT

RTA BOARD BUDGET AND FINANCE COMMITTEE MEETING
Minutes
February 7, 2018

1. **CALL TO ORDER**

Committee Chair Berwin Hanna called the Board Budget and Finance Committee meeting to order at 2:00 p.m., on February 7, 2018, in the RTA Board Room.

2. **SELF INTRODUCTIONS**

Self-introductions of those in attendance took place.

Committee Members Attending

1. Berwin Hanna, City of Norco
2. Nancy Carroll, City of Beaumont
3. Linda Molina, City of Calimesa
4. Dawn Haggerty, City of Canyon Lake
5. Dick Haley, City of Corona
6. Linda Krupa, City of Hemet
7. Anthony Kelly Jr., City of Jurupa Valley
8. Maryann Edwards, City of Temecula
9. ¹Ike Bootsma, County of Riverside, District II
10. ²Director Barry Busch, County of Riverside, District V

Committee Members Absent

1. Chuck Washington, County of Riverside, District III

RTA Staff

1. Larry Rubio, Chief Executive Officer
2. Tammi Ford, Clerk of the Board of Directors
3. Tom Franklin, Chief Operating Officer
4. Craig Fajnor, Chief Financial Officer
5. Vince Rouzaud, Chief Procurement and Logistics Officer
6. Laura Camacho, Chief Administrative Services Officer
7. Rohan Kuruppu, Director of Planning
8. Adam Chavez, Director of Maintenance
9. Jim Kneepkens, Director of Marketing
10. Rick Majors, Director of Risk Management
11. Natalie Zaragoza, Director of Contracts
12. Rick Kaczerowski, Director of Information Technologies
13. Brad Weaver, Media and Public Relations Manager
14. Eric Ustation, Government Affairs Manager

¹Alternate for John Tavaglione, County of Riverside, District II

²Alternate for Marion Ashley, County of Riverside, District V

15. Lisa Almilli, Mobility Manager
16. Melissa Blankenship, Contracts Manager
17. Walter Watcher, Contracts Administrator

Other Attendees

1. Clark Anderson, GHI Energy

3. **PUBLIC COMMENTS – NON-AGENDA ITEMS**

None.

4. **APPROVAL OF MINUTES – JANUARY 10, 2018 COMMITTEE MEETING**

M/S/C (BOOTSMA/HALEY) approving the January 10, 2018 committee meeting minutes.

The motion carried unanimously.

Director Barry Busch arrived to the meeting at 2:01 p.m.

5. **CASH FLOW PROJECTIONS**

Mr. Fajnor presented the cash flow projections which were received and filed.

6. **QUARTERLY INVESTMENT REPORT**

Mr. Fajnor presented the quarterly investment report which was received and filed.

7. **AUTHORIZATION TO AWARD AGREEMENT NO. 17-071 TO HELIXSTORM INC. (HELIXSTORM) TO PROVIDE MONITORING AND MAINTENANCE OF THE AGENCY'S INFORMATION TECHNOLOGY OPERATING ENVIRONMENT AND INFRASTRUCTURE**

M/S/C (EDWARDS/MOLINA) approving and recommending this item to the full Board of Directors for their consideration as follows:

- Authorize staff to award Agreement No. 17-071 to Helixstorm Inc. to provide monitoring and maintenance of the Agency's Information Technology Operating Environment and Infrastructure for a three-year base period with two, one-year options in an amount that will not exceed \$432,660.

The motion carried unanimously.

8. **AUTHORIZATION TO AWARD AGREEMENT NO. 17-064 TO REDHILL GROUP, INC. (REDHILL GROUP) FOR A MARKET ASSESSMENT STUDY**

M/S/C (BOOTSMA/HAGGERTY) approving and recommending this item to the full Board of Directors for their consideration as follows:

- Authorize staff to award Agreement No.17-064 to Redhill Group, Inc. for a Market Assessment Study in the amount of \$174,564.63.

The motion carried unanimously.

9. **AUTHORIZATION TO AWARD AGREEMENT NO. 17-057 TO GHI ENERGY, LLC FOR PURCHASE OF NATURAL GAS AND MANAGEMENT OF CALIFORNIA'S LOW CARBON FUEL STANDARDS (LCFS) AND THE FEDERAL GOVERNMENT'S RENEWABLE IDENTIFICATION NUMBER (RINS) PROGRAMS**

M/S/C (KRUPA/BOOTSMA) approving and recommending this item to the full Board of Directors for their consideration as follows:

- a) Authorize staff to enter into Agreement No. 17-057 with GHI Energy, LLC for the purchase of natural gas and management of California's Low Carbon Fuel Standards and the Federal Government's Renewable Fuel Identification Number programs for a period of three-years, plus two-option year periods.
- b) Authorize staff to enter into all related agreements which include but may not be limited to the following:
 1. The gas industry's North American Energy Standards Board (NAESB) 'Retail Sale and Purchase of Natural Gas'; and
 2. Related 'Transaction Confirmation' agreement for the delivery/transmission of natural gas; and
 3. Any required additional agreements with SoCal Gas for the continued delivery/transmission of NG through its pipelines.

The motion carried unanimously.

10. **AUTHORIZATION TO REQUEST FUNDING ADVANCE FROM ALLOCATED UNCLAIMED LOCAL TRANSPORTATION FUND (LTF) RESERVES HELD BY THE RIVERSIDE COUNTY TRANSPORTATION COMMISSION (RCTC)**

M/S/C (EDWARDS/MOLINA) approving and recommending this item to the full Board of Directors for their consideration as follows:

- Authorize staff to seek an advance of funds from RCTC in the amount of \$15,000,000 to cover the projected deficit through FY18 and the first quarter of FY19 in the event that pending and future federal funding is not awarded and available for drawdown.
- Direct staff to discontinue pursuing this request in the event the aforementioned federal funding becomes available.

The motion carried unanimously.

11. BOARD MEMBER COMMENTS

None.

12. ANNOUNCEMENTS

Announcements were made by Larry Rubio.

13. NEXT MEETING

Wednesday, March 7, 2018
2:00 p.m.
Riverside Transit Agency
Board Room
1825 Third Street
Riverside, CA 92507

14. MEETING ADJOURNMENT

The meeting was adjourned at 2:39 p.m.

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

March 7, 2018

TO: BOARD BUDGET AND FINANCE COMMITTEE

THRU: Larry Rubio, Chief Executive Officer

FROM: Craig Fajnor, Chief Financial Officer

SUBJECT: Cash Flow Projections

Summary: The Agency develops cash flow projections for the entire fiscal year representing weekly increments. Due to the size of the report, it is difficult to portray the entire fiscal year.

The attached report represents actual cash performance through late February with projections through April. This reporting period covers the first ten months of FY18.

There is no cash flow issue anticipated during this reporting period. However, with uncertainty regarding receipt of Federal funding, the Board has approved requesting an advance of Local Transportation Funds from the Riverside County Transportation Commission (RCTC) to cover anticipated cash flow shortages in late FY18 and early FY19. RCTC will be taking action on this request at their March Committee meeting and their April Commission meeting.

Recommendation:

Receive and file.

**Riverside Transit Agency
FY18 Cash Flow Projection**

		Actual									
General Account	2/23/2018	3/2/2018	3/9/2018	3/16/2018	3/23/2018	3/30/2018	4/6/2018	4/13/2018	4/20/2018	4/27/2018	
1 Est. Cash, Beg Balance (Book)	112,792	1,222,061	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	
3 Receipts:											
4 LTF Operating - recurring	4,210,068				4,210,069					59,407	
5 LTF OPEB											
6 FET Credit											
7 RIN's Credit				40,000				40,000			
8 LCFS		112,485									
9 CalPERS CERBT Disbursement	86,016				86,295				85,000		
10 Farebox	112,746	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	
11 Total Other Farebox	272,342	98,059	73,570	87,791	126,455	288,837	124,108	213,617	22,530	79,798	
12 Total Other Local	2,201	5,000	5,000	5,000	5,000	10,305	5,000	5,000	5,000	10,464	
13 FTA Operating	113,113		100,000	24,016		100,000	25,000			100,000	
14 Capital - Local, State	181,064										
15 Echo - FTA Capital	20,298	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	
16 Transfer from Investment to Gen Acct.	71,906	2,852,276	106,295	907,193		3,179,858	748,892	805,383	195,975	869,331	
17 Disbursements:											
18 Payroll = Net+Tax		(985,000)		(985,000)		(1,000,000)		(985,000)		(985,000)	
19 A/P Wires	(178,596)	(3,008,816)	(219,865)	(14,000)	(298,505)	(2,514,000)	(838,000)	(14,000)	(243,505)	(69,000)	
20 A/P Checks	(109,069)	(175,000)	(175,000)	(175,000)	(175,000)	(175,000)	(175,000)	(175,000)	(175,000)	(175,000)	
21 Capital Expenditures	(72,820)	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)	
22 Transfer to Investment from Gen Acct.	(3,600,000)	(181,064)			(4,064,314)						
23 Transfer to OPEB Trust Acct.											
24 Actual Ending Book Balance / Targeted Minimum Balance	1,222,061	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	
LAIF Account:											
25 Beginning balance	106,134	106,134	106,134	106,134	106,134	106,134	106,134	106,134	106,426	106,426	
27 Quarterly Interest Income								292			
28 Transfers to/from Gen Acct.	-	-	-	-	-	-	-	-	-	-	
29 Ending balance	106,134	106,134	106,134	106,134	106,134	106,134	106,134	106,426	106,426	106,426	
County Pool Account:											
31 Beginning balance	1,032,611	1,032,611	1,032,611	1,032,611	1,035,513	1,035,513	1,035,513	1,036,367	1,036,367	1,036,367	
32 Quarterly Interest Income				2,903			854				
33 Transfers to/from Gen Acct.	-	-	-	-	-	-	-	-	-	-	
34 Ending balance	1,032,611	1,032,611	1,032,611	1,035,513	1,035,513	1,035,513	1,036,367	1,036,367	1,036,367	1,036,367	
CalTrust Account:											
36 Beginning balance	47,408,046	50,936,140	48,237,471	48,131,176	47,223,982	51,288,297	48,108,438	47,332,039	46,602,742	46,406,767	
37 Quarterly Interest Income		48,628					48,578				
38 Transfers to/from Gen Acct.	3,528,094	(2,747,297)	(106,295)	(907,193)	4,064,314	(3,179,858)	(824,978)	(729,297)	(195,975)	(869,331)	
39 Ending balance	50,936,140	48,237,471	48,131,176	47,223,982	51,288,297	48,108,438	47,332,039	46,602,742	46,406,767	45,537,436	
<i>Deferred Revenue Capital >>></i>	37,923,738	38,065,719	38,027,676	37,951,590	37,951,590	37,951,590	37,912,512	37,912,512	37,912,512	37,912,512	
<i>OPEB Trust Funding >></i>	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	
<i>Available for Operating >>></i>	13,873,208	9,860,497	9,792,245	8,964,040	13,028,354	9,848,496	9,112,028	8,383,023	8,187,048	7,317,717	
<i>Restricted</i>	39,423,738	39,565,719	39,527,676	39,451,590	39,451,590	39,451,590	39,412,512	39,412,512	39,412,512	39,412,512	
<i>Available for Operating</i>	13,873,208	9,860,497	9,792,245	8,964,040	13,028,354	9,848,496	9,112,028	8,383,023	8,187,048	7,317,717	
Avg Operating expenses per month =>	6,800,000	6,800,000	6,800,000	6,800,000	6,800,000	6,800,000	6,800,001	6,800,002	6,800,003	6,800,004	
No. of months Oper Cash On Hand =>	2.04	1.45	1.44	1.32	1.92	1.45	1.34	1.23	1.20	1.08	

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

March 7, 2018

TO: BOARD BUDGET AND FINANCE COMMITTEE

THRU: Larry Rubio, Chief Executive Officer

FROM: Craig Fajnor, Chief Financial Officer

SUBJECT: Quarterly Capital Status

Summary: The Agency has, at any one time, a multitude of capital projects in progress or pending as circumstances and funding dictate. These capital projects are funded through a variety of funding sources including, but not limited to, Federal, State, and Local grants. Capital items funded with these grants include, but are not limited to, Revenue and Non-Revenue Vehicles, Transit Facilities, Facility Improvements, and Information Systems.

Depending on the nature of the project, it can take multiple years to accumulate the required funding to complete the project. It can also take multiple years to complete the project once it has commenced. Examples of such a scenario are the Promenade Mall and Hemet Mobility Hubs' projects.

The Agency will always have capital needs due to the replacement of retired assets, acquisition and/or maintenance of Agency infrastructure, and unique needs such as mobility hubs to serve the transportation needs of our customers. As such, the Agency should always have a backlog of open projects that preserve and enhance the future of the Agency.

A presentation will be given at the committee meeting which provides an update on the Agency's capital projects, focusing on the activities from December 2017 through February 2018. The Agency is required to provide quarterly reporting to the Federal Transit Administration (FTA) one month after the end of each quarter. The Agency is required to provide quarterly reporting to the Riverside County Transportation Commission (RCTC) after the end of each quarter. This reporting was submitted.

Recommendation:

Receive and file.

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

March 7, 2018

TO: BOARD BUDGET AND FINANCE COMMITTEE
THRU: Larry Rubio, Chief Executive Officer
FROM: Craig Fajnor, Chief Financial Officer
SUBJECT: Quarterly Natural Gas Procurement Status Report

Summary: Prior to August 1, 2013, the Agency had always purchased its natural gas (converted to compressed natural gas or CNG) requirements for fueling revenue and non-revenue vehicles from the Southern California Gas Company (SoCal Gas). The cost of the gas from SoCal Gas included the commodity cost of the gas as well as the transmission costs and related taxes/fees.

In May 2013, the Board authorized staff to enter into a multi-year contract with GHI LLC (GHI) for the Agency's natural gas commodity requirements for conversion to CNG. The Agency's contract with GHI commenced July 1, 2013 and natural gas purchases commenced in August 2013. The base period of the contract has been completed. We are now in the final option year of the contract.

GHI has been selected to continue supplying the Agency with its natural gas requirements as well as to manage the agency's participation in the Low Carbon Fuel Standards (LCFS) Credit program.

Highlights of the current GHI contract are as follows:

- GHI provides a fixed 6% discount off the SoCal Gas commodity cost (in contract option years; years 4 and 5)
- GHI provides the Agency with 5% of the total Renewable Identification Number (RINs) Credit earned
- GHI will both opt-in on the Agency's behalf for the California Air Resources Board (CARB) LCFS Credit program and financially administer the Agency's LCFS Credits

- GHI provides the Agency with 100% of the LCFS Credit value earned

The current Board approved Agency Investment Policy includes language regarding the purchase of natural gas requirements for conversion to CNG. The natural gas purchase language outlines the acceptable ways staff can purchase natural gas requirements for use in fueling Agency vehicles. The policy includes language describing the discipline to purchase a long-term fixed price-per-therm contract provided certain parameters are met. The policy also states that, if the Agency buys its natural gas requirements from an entity other than SoCal Gas, staff would prepare a quarterly report for the Board regarding the performance results under the new purchase arrangement and provide a performance comparison to the prior purchase arrangement.

Attachment A to this staff report identifies the savings the Agency has experienced by purchasing natural gas from GHI versus purchasing it from SoCal Gas. The costs are depicted for both a monthly and trailing quarter basis.

Attachment B to this staff report identifies the RINs Credits earned by the Agency under its natural gas purchase arrangement with GHI. RINs credits are earned and paid monthly. As a reminder, no such opportunity existed with SoCal Gas nor was it offered by the other responsible and responsive bidder during the formal procurement process.

Attachment C to this staff report identifies the LCFS Credits earned by the Agency under its natural gas purchase arrangement with GHI. LCFS credits are earned monthly but paid quarterly. As a reminder, no viable means to provide this credit to the Agency was offered by the other responsible and responsive bidder during the formal procurement process.

Attachment D to this staff report indicates the key statistics being measured and tracked to determine whether or not the Agency should convert from the current monthly floating index cost per therm purchase arrangement to a longer-term fixed price per therm purchase arrangement per the Investment Policy. The statistics are kept to follow and enact, if applicable, the discipline installed as part of the annual investment policy.

Based on the investment policy discipline and market conditions, the Agency does not currently have any executed contract purchases.

Fiscal Impact:

Under the current purchase arrangement with GHI, the Agency experienced \$13,165 of savings in the quarter covering November 2017 - January 2018 for its natural gas commodity requirements versus buying directly from SoCal Gas.

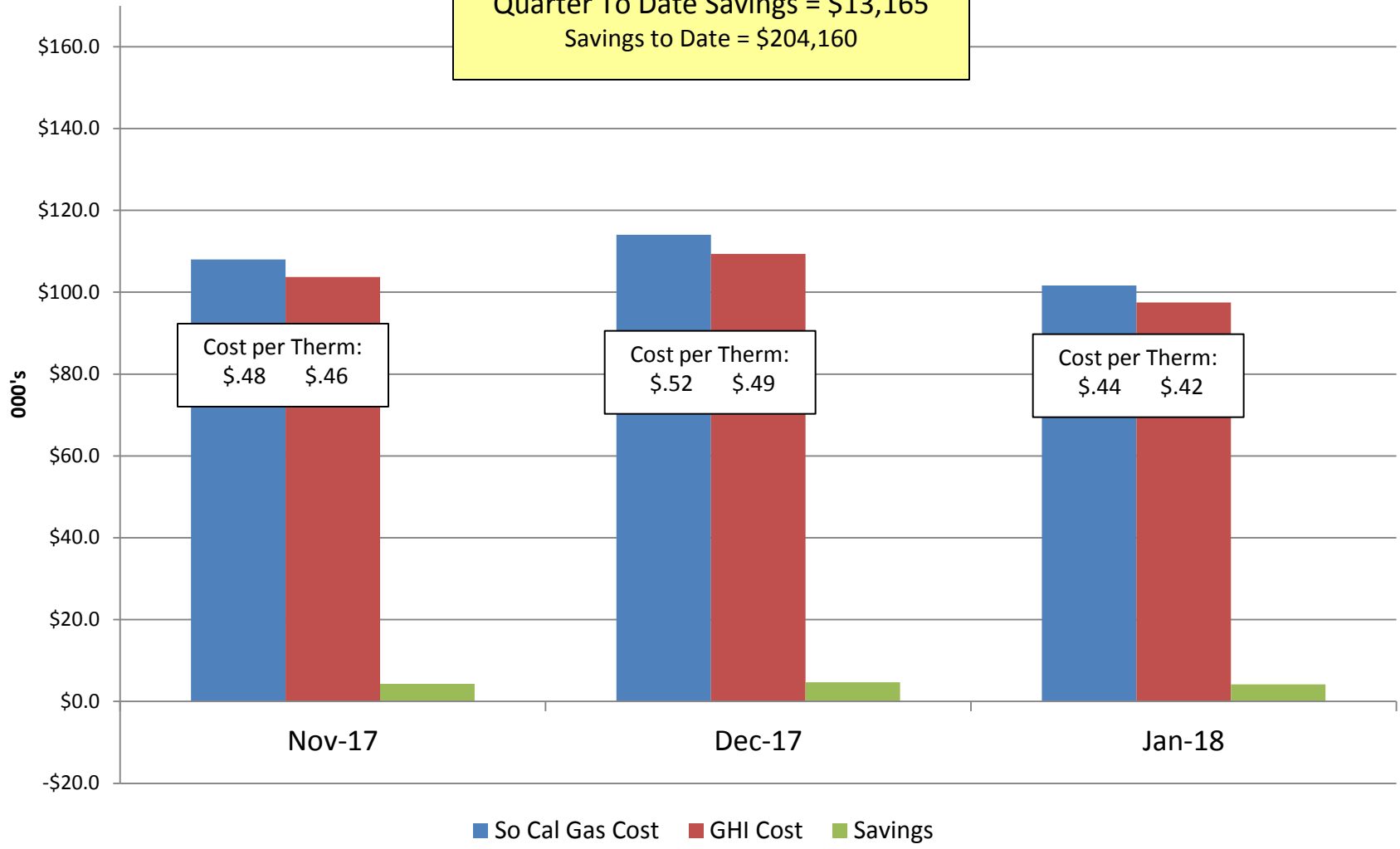
The Agency also earned a total of \$244,018 of combined revenue from the Federal RINs and State LCFS Credits' programs due to its natural gas consumption for use as CNG.

Recommendation:

Receive and file.

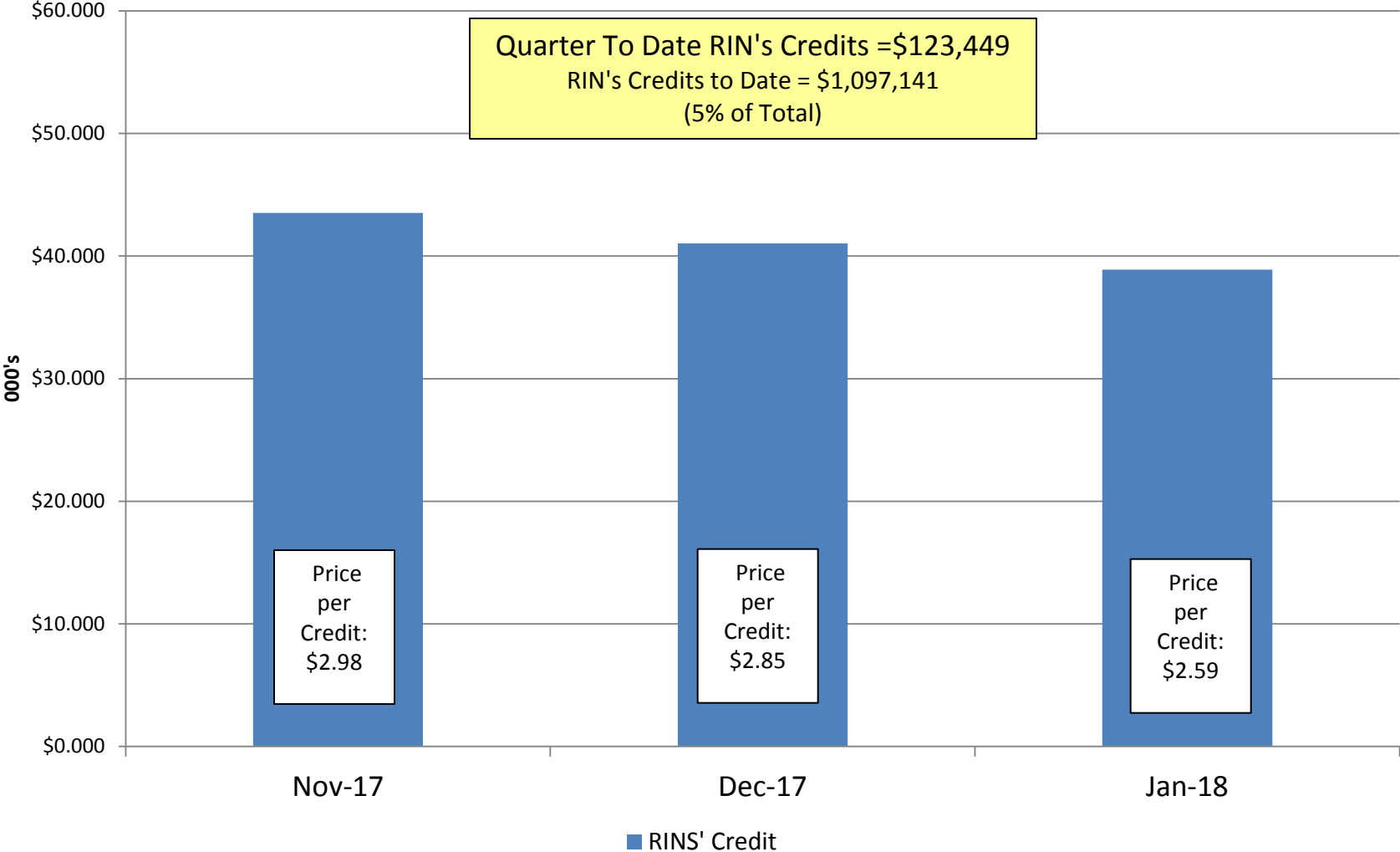
Attachment A CNG Cost Savings - So Cal Gas vs. GHI

Quarter To Date Savings = \$13,165
 Savings to Date = \$204,160

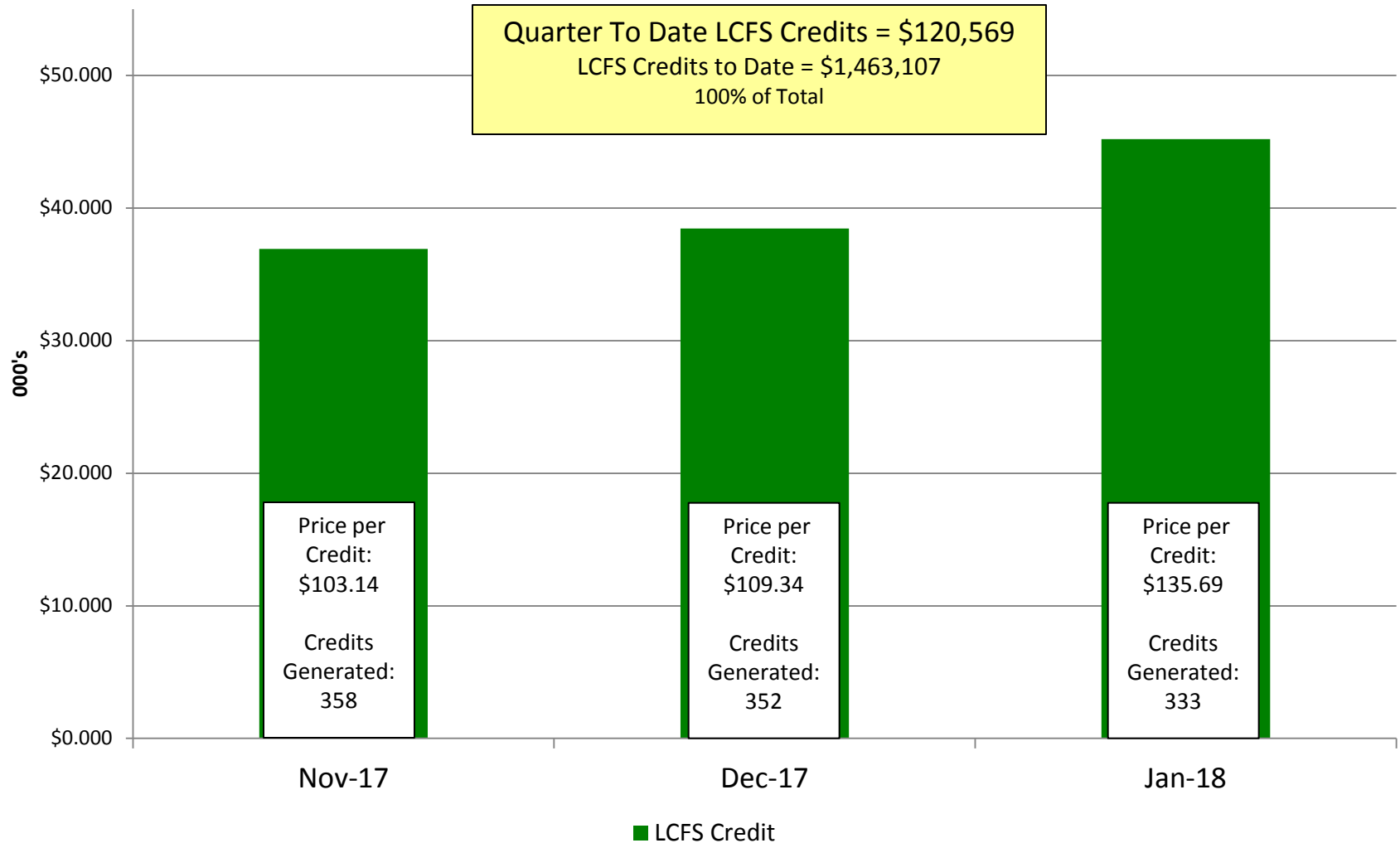


Attachment B

Renewable Identification Number (RIN's) Credit

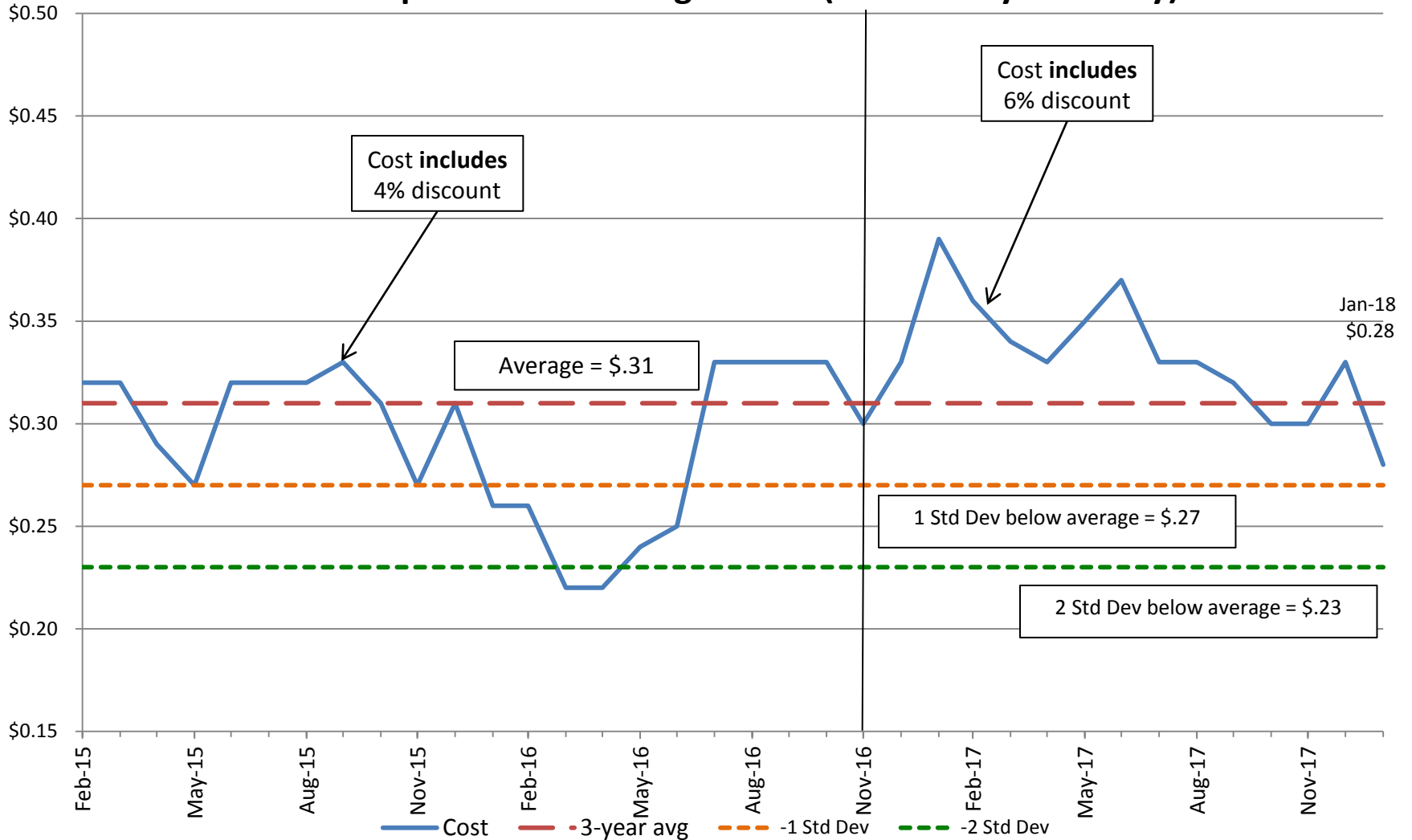


Attachment C Low Carbon Fuel Standards (LCFS) Credit



Attachment D

CNG Cost per Therm Trailing 3 Years (commodity cost only)



RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

March 7, 2018

TO: BOARD BUDGET AND FINANCE COMMITTEE

THRU: Larry Rubio, Chief Executive Officer

FROM: Vince Rouzaud, Chief Procurement and Logistics Officer

SUBJECT: Authorization to Award Agreement No. 18-001 to Regency - Pacific Development Corporation for Construction of the Riverside Bus Wash Roof Project

Summary: As part of their annual inspection, in October 2016, the City of Riverside's Department of Public Works Wastewater Division (City) inspected the Agency's Riverside facility for compliance with storm water runoff. During the inspection, staff was advised that the current design of the bus wash could allow rain water to enter the storm drains which then could overflow into the City's sewer system; this would be in violation of local ordinance 14.12.315. The purpose of this ordinance is to prevent storm water runoff from entering the City's wastewater treatment facilities which can become overburdened during heavy rain events.

Several design remedies and mitigation efforts were reviewed with City staff. Ultimately, the City approved plans that included adding a roof structure specifically designed to prevent rain water from entering the bus wash drainage system.

Adding to the design's complexity was the need for the roof structure to be resistant to the heat generated from bus exhaust as well as meet the ventilation requirements of Compressed Natural Gas (CNG) fueling systems. Additionally, the structure must blend in to its surroundings and be aesthetically pleasing due to its visibility from the street.

Key objectives of the Riverside Bus Wash Roof Project

- The structure must comply with the City's storm water regulations.
- The design must be resistant to the heat generated from bus exhaust to eliminate fire hazard.
- The roof design must allow for sufficient ventilation.
- The overall aesthetics must complement the surrounding structures.

On January 8, 2018 the Agency issued Invitation for Bid (IFB) No. 18-001. The procurement was publicly advertised in a newspaper of general circulation and a notice was posted on the Agency’s website along with a copy of the RFP document. In addition, the Agency sent notices to the Chambers’ of Commerce of those cities that are members of the Joint Powers Agreement.

On February 15, 2018 the Agency received bids from the following seven vendors:

Firm Name / Location	Bid Amount
Broughton Construction Inc., Rancho Cucamonga, CA	\$164,641.00
Regency–Pacific Development Corporation, Beaumont, CA	\$165,800.00
Leonida Builders Inc., Santa Clarita, CA	\$240,000.00
AToM Engineering & Construction Inc., Hemet, CA	\$241,398.00
BWW & Company, Redlands, CA	\$247,000.00
Metro Builders & Engineering Ltd., Newport Beach, CA	\$258,785.00
Asia General Contractors Inc., Compton, CA	\$266,000.00

In addition, the Agency received two “no bid” responses from IPV Construction and Roadway Engineering.

The low bid submitted by Broughton Construction Inc. was determined to be non-responsive as several of the required forms were incomplete. As such, staff is recommending award be made to the next lowest responsive and responsible bidder, Regency–Pacific Development Corporation.

In addition to the base bid amount, staff also recommends the Board authorize a five-percent contingency amount of \$8,290 to be utilized in the event of unforeseen circumstances. Such use would be subject to a future change order or amendment to the proposed contract if necessary.

Fiscal Impact:

Sufficient funds to cover this request are included in the Agency’s FY18 capital budget. The funding profile is shown below:

<u>Federal Section 5307</u>	<u>State Transit Assistance (STA)</u>	<u>Total</u>
\$139,272	\$34,818	\$174,090*

* Amount Includes Five-Percent Contingency

Recommendation:

Approve and recommend this item to the full Board of Directors for their consideration as follows:

- Authorize staff to award Agreement No. 18-001 to Regency – Pacific Development Corporation for construction of the Riverside Bus Wash Roof Project in the amount of \$165,800 with a five-percent contingency of \$8,290 for a total project budget amount of \$174,090.

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

March 7, 2018

TO: BOARD BUDGET AND FINANCE COMMITTEE
THRU: Larry Rubio, Chief Executive Officer
FROM: Vince Rouzaud, Chief Procurement and Logistics Officer
SUBJECT: Authorization to Award Agreement No. 17-067 to Burnham Benefits Insurance Services for Medical Brokerage Services

Summary: The Agency contracts with an insurance brokerage firm to survey the market for its health and welfare benefits such as medical, dental, vision, life, and long term disability insurance. On an annual basis, the brokerage firm assists staff in obtaining insurance benefits for employees, retirees and eligible employee dependents. The benefits program is intended to maximize employee benefits while containing costs. In addition, the brokerage firm provides regular assistance throughout the year with issues that may arise with billing, employee/retiree claims, enrollment, and carrier contracts. The Agency's current contract with Marsh & McLennan Agency (formerly Barney & Barney LLC) will expire on April 30, 2018.

On November 14, 2017, the Agency issued Statement of Qualifications (SOQ) No. 17-067. The SOQ was publicly advertised in a newspaper of general circulation and a notice was posted on the Agency's website along with a copy of the SOQ document. In addition, the Agency sent notices to the Chambers' of Commerce for those cities that are members of the Joint Powers Agreement. On December 12, 2017, the Agency received four (4) submittals from the following firms:

- Burnham Benefits Insurance Services
Irvine, CA
- Marsh & McLennan Agency
San Diego, CA
- Keenan & Associates
Riverside, CA
- USI Insurance Services
Torrance, CA

In addition, staff also received one "no bid" response from Aon Risk Solutions, San Francisco, CA.

The submittals were reviewed by an evaluation committee representing staff from the human resources and purchasing departments. All four firms were determined to be technically responsive. At the conclusion of the technical review, staff conducted an analysis of the commission rates charged by each firm which are a percentage of the Agency’s annual premiums. The proposed annual commission rates are identified in the following table:

Firm	Year 1	Year 2	Year 3	Year 4	Year 5
Burnham Benefits Insurance Services	1.65%	1.65%	1.60%	1.60%	1.60%
Keenan & Associates	1.70%	1.70%	1.70%	1.70%	1.70%
Marsh & McLennan Agency	1.75%	1.75%	1.75%	1.75%	1.75%
USI Insurance Services	1.75%	1.75%	1.75%	1.75%	1.75%

After carefully considering all of the requirements outlined in the SOQ, it was staff’s determination that the firm with the highest ranked, most responsive and responsible submittal was Burnham Benefits Insurance Services (“Burnham”). Burnham is a privately held, full-service employee benefits consulting and brokerage firm. Their list of clients include the Orange County Transportation Authority, Long Beach Transit and the Riverside Superior Court.

In addition to the insurance brokerage services, other value-added services provided by Burnham include:

- Employee Communications Resource Library
- Customized Open Enrollment Presentations
- Employee Communication Booklets
- Legislative Compliance Advice
- Benchmarking Reports Against Key Health Care Trends
- Employee Wellness Program
- ThinkHR Membership

ThinkHR is a membership service that provides expertise and guidance in the area of human resources and labor relations. The Agency is currently a member of Employers Group which provides similar services to ThinkHR. The cost of the Employer Group membership is paid for by the current broker. Similarly, Burnham will cover the cost for the Agency to switch to ThinkHR. In addition, the Burnham submittal includes a \$5,000 annual allowance towards the Agency’s employee wellness program in the form of resource materials, printed materials and additional staff support. Lastly, the Burnham submittal includes paying the administrative fee of the service provider, IGOE, which provides COBRA administration services to the Agency.

Based on the above analysis, staff recommends awarding a two-year agreement with three, one-year option periods to Burnham to act as the Agency's Medical Broker of Record for health and welfare insurance benefits for employees, retirees and eligible dependents.

Fiscal Impact:

Last year, the Agency's health and welfare benefits broker earned approximately \$99,000 in commissions. This amount represented 1.75 percent of the total cost of the health and welfare benefits package for the Agency's approximate 447 benefit-eligible employees and 170 benefit-eligible retirees. Actual commissions will vary slightly from year-to-year because the percentage-based commission is derived from costs that are based on the total annual number of employees/retirees. Funding has been included in the remaining months of the Agency's FY18 operating budget for medical brokerage services. Funding for future years will be requested in future year budget requests.

Recommendation:

Approve and recommend this item to the full Board of Directors for their consideration as follows:

- Authorize staff to award Agreement No. 17-067 to Burnham Benefits Insurance Services for medical brokerage services for an initial two-year base period with three, one-year options. Based on their commission rates, staff estimates the commission for their services will be approximately \$91,000 to \$95,000 annually.

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

March 7, 2018

TO: BOARD BUDGET AND FINANCE COMMITTEE

THRU: Larry Rubio, Chief Executive Officer

FROM: Vince Rouzaud, Chief Procurement and Logistics Officer

SUBJECT: Authorization to Award Agreement 17-050 to Network Paratransit Services Inc. for Taxi Overflow Services

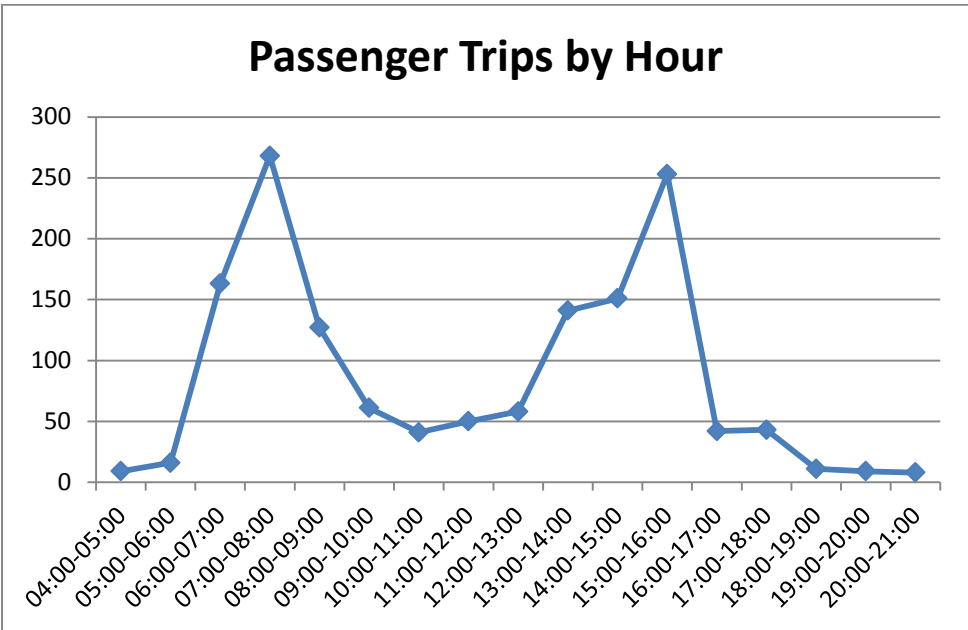
Summary: Staff is requesting authorization to award Agreement No. 17-050 to Network Paratransit Services Inc. (Network) to continue the Agency's taxi overflow services program (program). The program utilizes local area taxi cabs to augment the Agency's paratransit fleet and transport passengers during peak hours of service when ridership is at its highest. The current agreement is due to expire on June 30, 2018.

The Agency provides complementary paratransit Dial-a-Ride (DAR) service in compliance with the Americans with Disabilities Act (ADA.) This service, which provides curb-to-curb transportation to seniors and persons with disabilities, is operated by Southland Transit under contract to RTA. The contractor uses Agency-owned 12-passenger paratransit buses and provides 97 percent of the transportation for over 400,000 passengers transported each year. The remaining three percent of trips are provided through the taxi overflow program. The program was initially implemented by the Riverside County Transportation Commission (RCTC) in October 2003 to address the increasing demand for DAR services and ensure that no passengers (seniors, disabled, ADA) would be denied service due to capacity constraints. When the program was initially implemented, program oversight and day-to-day management was provided by a third-party (Diversified Paratransit Services) which coordinated services throughout western Riverside County.

In FY05, at the request of RCTC, responsibility for the program's oversight was transferred to the Agency. Over the years the program has proved to be very successful and has enabled the Agency to meet the increasing demands for DAR services in the most efficient and cost effective manner. Staff believes the taxi overflow program continues to be a vital component of the paratransit services offering and helps maintain system-wide

efficiencies and on-time performance standards. The program also ensures that the Agency maintains a zero trip denial policy during peak hours of service when demand often exceeds capacity. Under ADA regulations (49CFR Part 37.135 Appendix D), the Agency cannot limit the availability of complementary paratransit service to ADA paratransit eligible individuals due to capacity constraints.

On average, the Agency provides approximately 1,600 DAR trips each weekday with a peak vehicle count of 98 Agency owned vehicles. Trip volume is at its highest during two peak periods (6-8 a.m. and 2-4 p.m.) and represents approximately 53 percent of the total daily volume. By using taxis, the Agency is able to increase the number of peak vehicles in service during these two peak periods to meet this demand. The following chart is representative of the average passenger trips by hour:



In addition to accommodating peak demand, taxis are also used during non-peak times when it is more cost effective to use a taxi for specific trips rather than a traditional DAR vehicle and during unexpected circumstances (traffic congestion, accidents, breakdowns, etc.)

As mentioned above, the taxi overflow program has become an integral part of the Agency’s DAR services; however, their use does have limitations. During peak periods of the day, more than 50 percent of DAR passengers are transported in large groups, sometimes as many as 12 or more. These groups attend programs for persons with developmental disabilities, day centers for seniors or persons with Alzheimer’s disease and, school and work programs. These large groups, if broken up, would

not be handled as cost effectively in taxis. Some passengers use wheelchairs and non-folding walkers that cannot be accommodated in most taxis, while others may have mobility limitations that make accessing a passenger vehicle more difficult. Using a mix of vehicles allows scheduling staff to ensure the most accessible, efficient and effective form of transportation is being utilized.

On October 5, 2017, the Agency issued Request for Proposals (RFP) 17-050. The RFP was publicly advertised in a newspaper of general circulation and a notice was posted on the Agency’s website along with a copy of the RFP document. In addition, the Agency sent notices to the local Chambers’ of Commerce of those cities that are members of the Joint Powers Agreement. On November 7, 2017, the Agency received proposals from the following three vendors:

- Cabco Yellow Inc., Santa Ana, CA
- Express Transportation Systems, Riverside, CA
- Network Paratransit Services, Inc., San Bernardino, CA

An evaluation committee representing staff from the contract operations, maintenance and purchasing departments evaluated the proposals in accordance with the criteria listed in the RFP.

At the conclusion of the technical review, staff compared the cost per-mile rates for the three vendors. The table below illustrates the annual cost per-mile charged by each vendor for the three-year base period along with the two option-year periods.

Cost per Mile Rates

Firm	Year 1	Year 2	Year 3	Opt. Yr. 1	Opt. Yr. 2
Cabco Yellow Inc.	\$2.70	\$2.75	\$2.80	\$2.80	\$2.90
Express Transportation Systems	\$2.75	\$2.79	\$2.83	\$2.87	\$2.91
Network Paratransit Services Inc.	\$3.21	\$3.27	\$3.34	\$3.41	\$3.47

The five-year projected cost for the service is as follows:

Projected 5 Year Cost (rounded)

Firm	5 Year Amount
Cabco Yellow Inc.	\$2,480,868.00
Express Transportation Systems	\$2,516,436.00
Network Paratransit Services Inc.	\$2,969,928.00

Upon completion of the technical and price reviews, all three vendors were invited in for interviews. During the interviews, vendors were asked if they currently provide service consistent with the Agency's taxi overflow model. Specifically, their ability to provide examples of monthly reports that validate key performance indicators such as missed trips, ridership by region, on time performance (OTP), passengers per revenue hour (PPH), customer pick-up/drop-off times, passenger complaints, etc.

While Cabco Yellow Inc. and Express Transportation Systems said they met this requirement, a check of their references indicated they did not provide this level of reporting oversight. Neither firm currently provides taxi overflow services with the complex level of reporting and performance-based metrics that are required under this contract. These reporting requirements are critical toward ensuring Agency compliance with ADA.

Based on the overall evaluation process (technical review, price analysis, in-person interviews, reference checks), it was the evaluation committee's determination that Network Paratransit Services was the most technically responsive and responsible vendor. Highlights from their proposal are as follows:

- As the incumbent since 2005, the contractor has a great deal of familiarity with the Agency's needs to perform these services.
- Licensing for all participating areas, individual cities and unincorporated areas of the County are in place.
- A large infrastructure of taxi cabs and paratransit vans in the Inland Empire area.
- The taxi dispatch system utilizes Mobile Data Terminals (MDTs) in all cabs. The MDTs include GPS locating technology.
- Contractor has in place the full geo-validation of all trips, including confirmation of on-time performance using GPS locating technology.

Staff is therefore recommending approval of a three-year contract with two one-year options with Network Paratransit Services Inc. for taxi overflow services.

Fiscal Impact:

The total amount of the three-year base term of the agreement using Network Paratransit Services is \$1,746,389. Assuming the Agency exercises both one-year options, the total amount for the five-year period is \$2,969,928. In addition, the contract contains a fuel escalation/de-escalation clause. Staff is recommending a contingency in the amount of

\$237,594 (8 percent) to cover fluctuations in the cost of fuel for a total contract value not-to-exceed \$3,207,522. If approved, funding for the first years' service will be included in the Agency's upcoming FY19 operating budget and Short Range Transit Plan (SRTP). Funding for future years will be requested in future year budget requests.

Recommendation:

Approve and recommend this item to the full Board of Directors for their consideration as follows:

- Authorize staff to enter into Agreement No. 17-050 with Network Paratransit Services, Inc. for Taxi Overflow Services for a three-year base period with two one-year options in an amount not-to-exceed \$3,207,522.

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

March 7, 2018

TO: BOARD BUDGET AND FINANCE COMMITTEE
THRU: Larry Rubio, Chief Executive Officer
FROM: Vince Rouzaud, Chief Procurement and Logistics Officer
SUBJECT: Authorization to Award Agreement No. 17-070 to Absolute International Security for Security Guard Services

Summary: The Agency has contracted with a security firm to provide security guard services at its facilities since FY 2010. Security guard services are needed in order to secure Agency property and for the safety and protection of both employees and the riding public. Services are provided at the Corona Transit Center, Hemet and Riverside facilities, as well as the Vine St. layover location in Riverside across from the Downtown Riverside Metrolink station.

In addition to providing security during normal business and working hours, the Agency also receives periodical notifications from the Transportation Security Administration (TSA) advising public transit operators to implement additional security measures and/or increase security presence at transportation facilities. This activity is known as a “surge” and is in response to threat assessments received by local and state law enforcement agencies.

Recently, due to changing needs within the Agency’s service area, staff developed a revised scope of work to address the Agency’s increasing security issues. The most significant change is the addition of Mobile Safety Transit Officers; the successful contractor will provide mobile guard services to project a security presence, which may include operating a vehicle to perform patrols, inspections, provide security onboard various bus routes, and respond to other incidents as needed. This change is a direct response to two problems the Agency is encountering more frequently. One is the increasing number of unruly passengers and the second concerns a variety of issues stemming from homeless encampments at Agency bus stops.

To address these concerns, the Mobile Safety Transit Officers will provide 24/7 coverage, 365 days a year. The duties of the mobile patrol officers will include checks for unsafe conditions, hazards, security violations, and

unauthorized persons; inspect buildings, grounds and security devices; monitor and set security devices. Mobile officers are required to work independently while maintaining coordination among coworkers; they are required to be both flexible and adaptable. Mobile Safety Transit Officers may be required to ride buses occasionally on routes designated by the Agency's Transit Safety and Security Manager to detect and deter crimes and other unwanted activities. The Agency's current agreement with Allied Universal Security Services is due to expire on June 30, 2018.

On December 1, 2017, staff issued Request for Proposal (RFP) No. 17-070. The RFP was publicly advertised in a newspaper of general circulation and a notice was posted on the Agency's website along with a copy of the RFP document. In addition, the Agency sent notices to the local Chambers' of Commerce of those cities that are members of the Joint Powers Agreement.

On January 16, 2018, the Agency received proposals from the following ten vendors:

- Absolute International Security, El Monte, CA
- All American Private Security, Riverside, CA
- Allied Universal Security Services, Santa Ana, CA
- Alltech Industries, Inc., Monterey Park, CA
- Cypress Private Security, San Francisco, CA
- General Security Services, Inc., Wilmington, CA
- Nu-Way Security & Investigative Service, Inc., Victorville, CA
- Security America, Van Nuys, CA
- Vet's Securing America, San Antonio, TX
- World Private Security, Northridge, CA

The proposals were evaluated by a committee representing staff from the purchasing, risk management and safety and security departments. Vendors were rated in three general areas: qualifications and related experience, staffing and project organization, and an understanding of the Agency's requirements.

At the conclusion of the technical review, staff conducted site visits and interviews of the four highest technically ranked vendors. The interviews were held at the potential vendor's facilities for further evaluation of each, with the exception of Vets Securing America, which was done by telephone due to their staff's limited availability. The four vendors were:

- Absolute International Security
- Allied Universal Security Services
- Cypress Private Security
- Vets Securing America

The interview process gives staff the opportunity to ask proposers specific questions that may not have been apparent from their written proposals. In addition, staff was able to view the vendor's operations, training facilities and meet with their operations personnel.

At the conclusion of the interview process, staff requested Best and Final Offers (BAFOs). The results are shown in the table below:

Firm Name	Year 1 (Base Term)	Year 2 (Base Term)	Year 3 (Base Term)	Option Year 1	Option Year 2	Total Amount
Absolute International Security	\$731,996.32	\$768,048.48	\$806,577.12	\$860,419.52	\$887,778.72	\$4,054,820.16
Vets Securing America	\$792,743.96	\$821,263.08	\$844,578.68	\$869,148.72	\$891,633.05	\$4,219,367.48
Cypress Private Security	\$795,694.55	\$825,657.99	\$852,475.48	\$882,193.03	\$913,223.04	\$4,269,244.09
Allied Universal Security Services	\$875,437.65	\$944,328.09	\$1,008,132.69	\$1,074,480.21	\$1,140,827.73	\$5,043,206.35

Based on the overall evaluation process, it was the evaluation committee's determination that Absolute International Security was the most technically responsive and responsible vendor and provides the best value to the Agency. The following are key points of staff's analysis:

- Absolute International assembled a well-rounded, competent management team for oversight of the service
- Absolute International's training program and processes were superior; including a dedicated training facility and more required/pertinent courses above State minimums
- Absolute International's management displayed a strong commitment to a successful program/partnership with RTA

Staff also recommends the Board authorize a five percent contingency in the amount of \$202,741 over the potential five (5) year contract term to address unanticipated TSA directives and/or any fluctuations in the number of guards stationed on a temporary basis to meet the Agency's additional security needs.

Fiscal Impact:

Sufficient funding for security guard services has been included in the Agency's FY19 operating budget. Funding for these services beyond the current fiscal year will be included in future fiscal year budget requests.

Recommendation:

Approve and recommend this item to the full Board of Directors for their consideration as follows:

- Authorize staff to enter into Agreement No. 17-070 with Absolute International Security, for security guard services for a three-year base period with two, one-year options in an amount not-to-exceed \$4,257,561.16 which includes a five percent contingency of \$202,741.